



Chula Vista Business Cluster Analysis

Leveraging Unique Assets to Compete Globally

“This study was partially supported by the Chula Vista Local Government Partnership, which is funded by California utility ratepayers and administered by San Diego Gas & Electric, under the auspices of the California Public Utilities Commission.”



Chula Vista Economic Development

- Authorized current analysis in November 2012
- Previous efforts
 - Comprehensive Economic Development Strategy – 2003
 - General Plan - Economic Development Element - 2005

Project Purpose

The purpose of the Chula Vista Business Cluster Analysis was to assess the City's:

1. Identify “best fit” business clusters,
2. Readiness for recruitment of new businesses to attract and expand quality jobs, and
3. Provide recommendations for positioning, marketing, and business recruitment.

Project Team



KEYSER MARSTON ASSOCIATES.



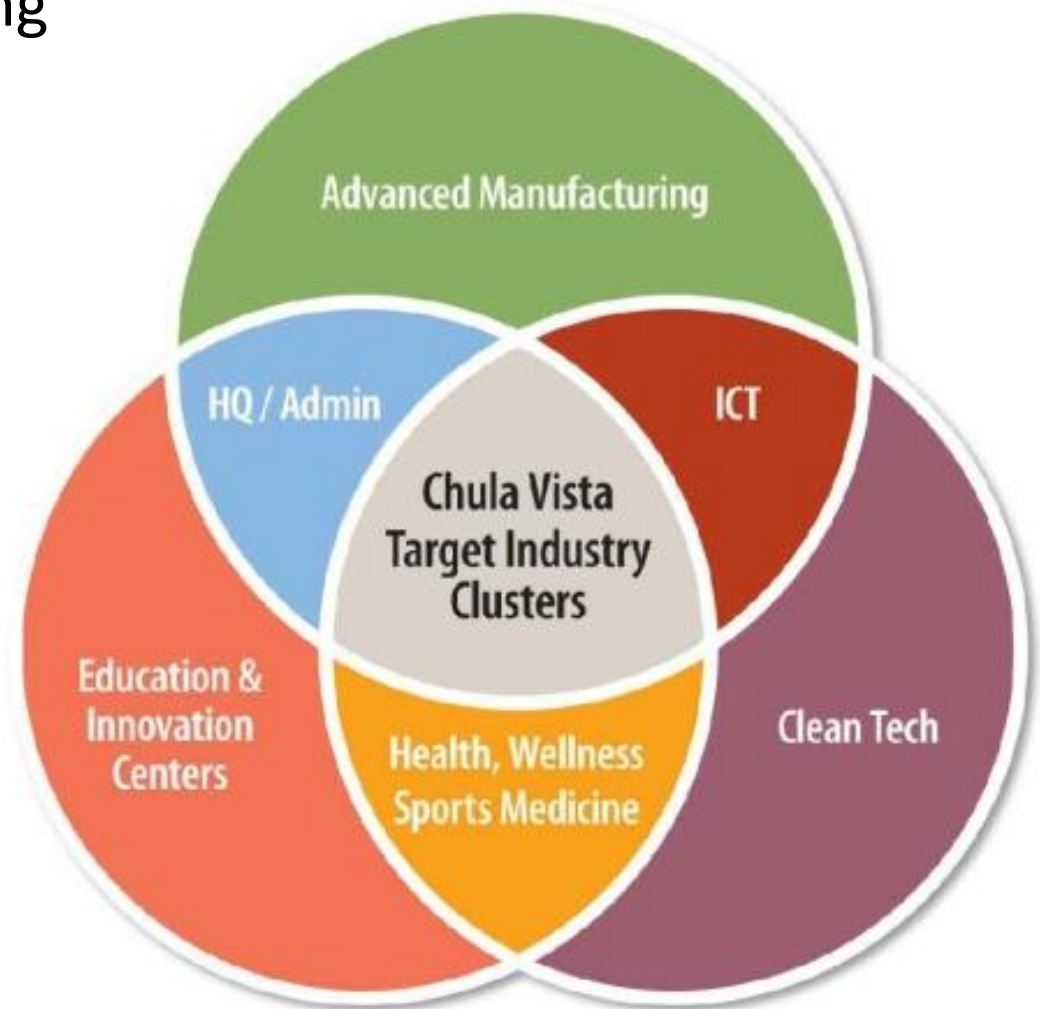
Project Approach

Three key tasks:

1. Industry Clusters Analysis, conducted by Applied Economics, Chabin Concepts and ROI;
2. Competitive Location Assessment, conducted by Austin Consulting and Keyser Marston Associates;
3. Go-to-Market Strategy, prepared by Chabin Concepts with support from Team.

Best Fit Industry Clusters

- Advanced Manufacturing
- Clean Tech
- Education & Innovation Centers
- Information & Communications Technology
- Health & Wellness Services (Sports Medicine_
- Headquarters & Administrative Offices



Advanced Precision Mfg

Industry Opportunities

Additive Mfg - \$3.1 billion industry – application from automotive/aerospace to medical device and consumer products – technology to create bones and soft tissue for surgical procedures.

PRIMARY OCCUPATIONAL NEEDS

ADVANCED PRECISION MANUFACTURING

SOC	Occupation	Workforce Distribution	Chula Vista LQ*
51-4023	Rolling Machine Setters, Operators, and Tenders, Metal Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	8%	NA
51-4031	Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic	6%	0.48
51-4021	Helpers--Production Workers	6%	0.76
51-9198	First-Line Supervisors of Production and Operating	5%	0.65
51-1011	Welders, Cutters, Solderers, and Brazers	4%	0.75
51-4121	Inspectors, Testers, Sorters, Samplers, and Weighers	4%	0.63
51-9061	Maintenance and Repair Workers, General	4%	1.14
49-9071	Laborers and Freight, Stock, and Material Movers, Hand	3%	0.91
53-7062	Sales Representatives, Wholesale and Manufacturing	3%	0.77
41-4012	Industrial Machinery Mechanics	3%	0.60
49-9041	Industrial Truck and Tractor Operators	3%	0.40
53-7051	Shipping, Receiving, and Traffic Clerks	3%	0.56
43-5071	Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic	3%	1.03
51-4081	Crane and Tower Operators	2%	0.52
53-7021	Team Assemblers	2%	0.30
51-2092	Heat Treating Equipment Setters, Operators, and Tenders, Metal and Plastic	2%	0.84
51-4191		2%	0.45



Avg Wages

Precision \$42,300

Aerospace \$125,800

Corporate Location Assessment

Corporate Location Exercise Ranking – 12 Decision Factors	
CLE Conducted by: Austin Consulting, International Site Selectors	
Market Access	Strength
Real Estate	Current Weakness (shovel-ready ⁴) / potential Strength
Utilities	Neutral
Transportation	Strength / Neutral (potential west/cross town congestion)
Workforce	Strength / Weakness (Lack of documentation)
Business Climate	Neutral
Sustainable Practices	Strength
Risk Management	Strength
Business Costs	Neutral (impact fee concern)
Incentives	Neutral (loss of Enterprise Zones)
Quality of Life	Strength
Readiness	Weakness
Overall Ranking	Neutral

Go-To-Market Strategy

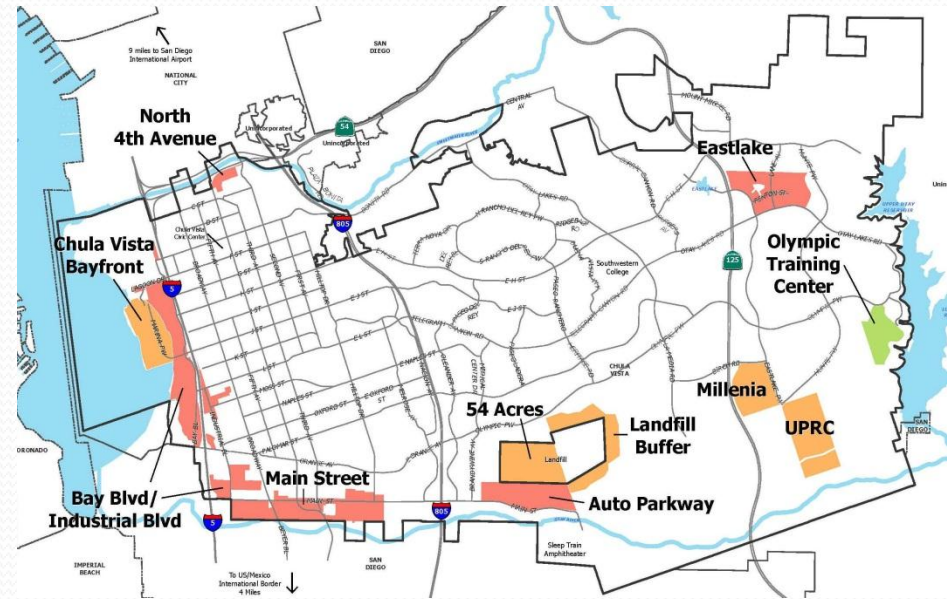
The core of the project – tactical approaches to business retention, expansion, attraction and prospecting:

1. Messaging
2. Prospecting
3. Outbound
4. Inbound
5. Earned Media

Packaging

Quality collateral and marketing materials and tools are needed:

- Marketing
 - Map Collateral Brochures
 - Working Map
 - Business Cases
 - Labor Force
 - Website
- Site Investigation Data Guide



Unique Position in the Market

- Distinctly unique is proximity to Cali-Baja, the connectivity to San Diego's resources and a multinational resident base ;
- Chula Vista and Cali-Baja share industry clusters – this synergistic relationship creates a unique *selling proposition*.



Message: *Our Location, Your Success*

Proof Points

- Chula Vista's proximity to Mexico and their growing industry clusters; a bi-national location and international gateway;
- Availability of affordable land and buildings in combination with lifestyle amenities;
- Heavily traveled goods movement along Interstate 5 Corridor;
- Central proximity to major educational and regional advanced training centers provides access to graduates from UCSD, SDSU, USD, Point Loma Nazarene and Baja Schools;
- Presence of a multinational residence base.

Key Messages

Message: *Quality Location, Unique Development Opportunities*

Proof Points:

- Vision-oriented and sophisticated Leadership with the ability to navigate state and federal regulatory agencies (Coastal Commission) to achieve change and results;
- United Technologies Aerospace Systems, a leading aerospace company and foundation for advanced manufacturing cluster;
- Largest planned University Park & Innovation District in the region;
- The Olympic Training Center (only one of three in the nation) provides anchor to the convergence of health, wellness, tourism, recreation and sports cluster;
- Continued creation and enhancement of “24/7” environments for “live / work / play”.

Business Expansion & Attraction Tactics

1. Direct Marketing
2. Bi-National Collaborative Marketing
3. TeamCalifornia Venue Marketing
4. Relationship Marketing – Site Selectors and Broker Community
5. Linked In Group Marketing

Benefits of Recruiting Target Clusters

The project used a target cluster business as the basis for assessment. A light industry manufacturer investing \$8-\$12 million, 80 employees would create community prosperity of approximately:

- Demand for 100+ indirect jobs
- Annual economic impact \$19.5 million
- Approximately \$200,000 in local taxes annually

Key Next Steps

“creating and implementing competitive advantage”

1. **Real estate readiness** for target industries as well as protecting and preserving business park and industrial land use designations;
2. **Ensure a permitting process**, fee structure and incentive policy that is competitive in the region;
3. **Become a key player** in Cali-Baja Mega-Region Initiative and with CONNECT;
4. **Strengthen Chula Vista’s unique bi-national position** by building cross-border partnerships;
5. **Package** Chula Vista’s value proposition to specific target clusters; and
6. **Implement *focused* recruitment** around industry clusters and opportunity sites.
7. **Work Plan Goals Initiatives & Tasks**

Work Plan Goals, Initiatives and Tasks

- Return to Council within 90 Days
- Detailed Action Plan
- Costs of Implementation

	Overview of Recommendations	>90 Days	3 - 6 Months	7 - 12 Months	1 year +	Implementation Costs
1.0	Existing Business Development					
	<input type="checkbox"/> Existing business CEOs aligned with target industries - personal business visit once a year					
	<input type="checkbox"/> Hold annual CEO Roundtable					3,500
	<input type="checkbox"/> Invite CEOs to "Chula Vista's Prospecting Team"					
	<input type="checkbox"/> Coordinate additional retention/expansion calls Use a customer relation management system (CRM) (if not available now)					3,500
2.0	Packaging					
	<input type="checkbox"/> Marketing Overview Collateral					8,500
	- Map Brochure (series of maps)					12,500
	- Working Map					
	- Power Point presentation (update)					
	- Website					3,000
	- Labor Force					5,000
	- Data Information Sets (12) for proposals and website					5,000
3.0	Key Positioning Point					
	<input type="checkbox"/> Bi-National Location, International Gateway, Advanced Mfg Hub					
4.0	Target Markets					
	<input type="checkbox"/> Site Selector Database					

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